

ASSEMBLY BILL

No. 687

Introduced by Assembly Member Campbell

February 19, 2003

An act to amend Section 25501 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 687, as introduced, Campbell. Alcoholic beverages: brewing industry.

The Alcoholic Beverage Control Act prohibits a manufacturer, bottler, importer, or wholesaler of products of the brewing industry from furnishing, giving, renting, lending, or selling, directly or indirectly, any equipment, fixtures, or supplies, other than alcoholic beverages, to any person engaged in operating, owning, or maintaining any on-sale premises, except that the holder of a beer and wine wholesaler's license may manufacture, distribute, and sell any lawful product to any person engaged in operating, owning, or maintaining any on-sale premises where alcoholic beverages are sold for consumption on the premises, provided that these products are sold by the holder of the beer and wine wholesaler's license to the on-sale licensee at a price not less than the current market price for the product.

This bill would permit the holder of a beer and wine wholesaler's license to manufacture, distribute, and sell any lawful product to any person engaged in operating, owning, or maintaining any on-sale or off-sale premises where alcoholic beverages are sold, provided that these products are sold by the holder of the beer and wine wholesaler's license to the on-sale or off-sale licensee at a price not less than the current market price for the product.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25501 of the Business and Professions
2 Code is amended to read:
3 25501. No manufacturer, bottler, importer, or wholesaler of
4 products of the brewing industry shall:
5 (a) Furnish, give, rent, lend, or sell, directly or indirectly, any
6 equipment, fixtures, or supplies, other than alcoholic beverages,
7 to any person engaged in operating, owning, or maintaining any
8 on-sale premises where alcoholic beverages are sold for
9 consumption on the premises. This subdivision shall not prohibit
10 the furnishing of draft beer pumps and iceboxes to those persons
11 who operate on a temporary basis. Notwithstanding any other
12 provision of this division, a manufacturer, bottler, importer, or
13 wholesaler of products of the brewing industry may furnish, give,
14 rent, lend, or sell, directly or indirectly, paper beverage coasters
15 less than 25 square inches in size and having a value of less than
16 five cents (\$0.05) per coaster or brand-identified acrylic table tent
17 holders to any person engaged in operating, owning, or
18 maintaining any on-sale premises where alcoholic beverages are
19 sold for consumption on the premises.
20 (b) Directly or indirectly, hold the ownership or any interest, by
21 stock ownership or otherwise, in any firm, corporation,
22 partnership, or business, furnishing, supplying, or dealing in any
23 office, store, or restaurant furnishings or equipment, other than
24 signs for interior use or supplies authorized to be given under this
25 division to any person engaged in operating, owning, or
26 maintaining any on-sale premises.
27 (c) Notwithstanding any provision of this section, the holder of
28 a beer and wine wholesaler's license may manufacture, distribute,
29 and sell any lawful product to any person engaged in operating,
30 owning, or maintaining any on-sale *or off-sale* premises where
31 alcoholic beverages are sold ~~for consumption on the premises,~~
32 provided that these products are sold by the holder of the beer and

- 1 wine wholesaler's license to the on-sale *or off-sale* licensee at a
- 2 price not less than the current market price for the product.

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